

2. OUTPUTS AND STANDARDS PROJECT FINAL REPORT

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Corporate Plan Output: Various	

The purpose of this report is to present the recommendation from the five Special Council Committees established in November 1999 to review all Council outputs & standards. These recommendations represent the culmination of a significant contribution by external appointees, Councillors and staff over the last 11 months using a fresh approach to the review of Council outputs and their associated levels of service.

BACKGROUND

The origin of this fresh approach was the April 1999 Council resolution below.

Council will undertake a review of all its standards – output by output to verify that the value created for the community from each is appropriate to its cost.

Each relevant Standing Committee to prepare a programme for such review to begin by August 1999.

Council accept the offer from the Canterbury Employers' Chamber of Commerce and any similar offers by other groups to provide advice and support for this project

A key feature of this new approach was to include external people within a special committee process who could represent a variety of community views and add significant value to this global and strategic review of all the Council's outputs. This special committee process was in addition to the Council's normal Annual Plan process which itself is an important mediator in ensuring that Council strategic objectives are being met and that the cost to ratepayers represents good value. The intention was that the results from the Special Committees would feed into the 2001/02 budget round beginning October 2000.

The Special Committees are listed below:

- City Services Special Committee
- Community Services Special Committee
- Environment and Resource Management Special Committee
- Parks and Recreation Special Committee
- Strategy and Resources Special Committee.

STRATEGIC REVIEW AND PRIORITISATION OF OUTPUTS - PHASE ONE

In essence this comprehensive and rigorous process tested all current Council outputs against the present Council framework of strategic objectives and policies by identifying the "level of fit" (what we called streaming) and the flexibility in funding levels. Issues that arose during these dialogues were captured for closer examination during the second phase. This process involved significant effort to provide the Special Committees and in particular the external members with the level of understanding and background information so that they could prioritise each output. A number of the external appointees commented that they found this information and dialogue both interesting and informative.

The streaming process was a categorisation of outputs into five broad bands:

- Legislative requirement, e.g. resource and subdivision consents
- Essential Infrastructure, e.g. water and waste water reticulation
- High fit with the Council's strategic objectives, e.g. park play and recreation facilities
- No longer needed or could be substantially reduced e.g. QEII fun park
- Other. Where there was neither a high fit nor reduction considered necessary, e.g. camping grounds

The level of funding flexibility reflected the Council's ability to change the funding for any output up or down. Note that the flexibility reflected the ability of the Council to change funding rather than the quantum of the change. For example, while waterways operations and maintenance was considered to have a low funding flexibility, a relatively small change on what is a \$6.9m budget is significant. Conversely waterway resource consents was considered to have a high funding flexibility but on an annual budget of \$14,000 a large percentage change is not significant for overall Council budget.

Examples of funding flexibility are:

- High for education programmes and natural area restoration in parks
- Medium for outputs such as regional parks and events and festivals
- Low for outputs such as city-wide parks maintenance and the operation of indoor pools

Having completed the prioritisation and streaming process of some three hundred outputs during phase one, a review of progress across all Special Committees lead to the decision to focus the detailed level of service analysis and nature of the Council's funding involvement onto a limited number of Council outputs. Generally, it was agreed that the effort of the Special Committees would be best focused on the outputs where these committees could create most value, given the timeframe available. As a result of a prioritisation process, the Committees selected a total of 19 outputs for detailed consideration.

Selection of the 19 outputs was based on the outputs each having a high funding flexibility, significant issues raised during the strategic review process or involving the review of an Asset Management Plan.

OUTPUT LEVEL OF SERVICE REVIEW - PHASE TWO

Phase two then was to consider the nature of the Council's involvement in funding these outputs and review the level of service for each output.

The substantive matters in this report are the recommendations from each of the five Special Committees on the Council outputs that were considered in detail. These recommendations represent the combined inputs from external appointees, Councillors and staff who collectively and individually have brought their considerable talents and energies to bear in this process.

This has been a challenging and interesting process that tested those responsible for providing and approving Council outputs to be clear on the meaning of each output, its linkage with strategic objectives, alternate methods of achieving these results and whether the current funding provided real value to ratepayers. In this sense most if not all of the project outcomes have been achieved. We have achieved improved clarity about the relationship between outputs, strategic objectives and policies, and levels of service. At least one new approach for seeking community views has been used and the process encouraged a deepening of relationships and understandings between Councillors and staff. The process has also provided the opportunity to reflect on existing practices and service delivery models outside the usual Council processes. Not seen within this report or recommendation are the inevitable flow-on effects of this process which range across the generation of new ideas, contacts and perspectives on the focus, scope and delivery of Council outputs.

That the detailed review finally focused on 19 outputs also provides some perspective on the success of the other Council processes in meeting and providing the appropriate outputs to the Christchurch ratepayers.

These recommendations from the five Special Committees are to now be considered by the Strategy and Resources Committee.

- Recommendation:**
1. That all those involved in the process be thanked for their time, attention and intellectual contribution.
 2. That the recommendations from each Committee be considered for incorporation into the 2001/02 Annual Plan process.

Chairman's

Recommendation: For discussion.